

# Transcript of the Press Conference in Mostar

**Avis Benes, OHR:**

I am greeting you today on behalf of the international organizations seated in Mostar. Today, as you can see, we are in full composition because you asked for it. As there will be more statement, we are therefore asking for your attention. As usual, I am also asking you to sign the Attendance Sheet.

Today we have a special honor of having the Director of OSCE Regional Center Mostar, Ms. Barbara Contini, with us. She will introduce their new Spokesperson.

**Barbara Contini, OSCE RC Mostar Director:**

Thank you very much for inviting me today. It is a very big pleasure for me to see many of you which I know very well. And I think for the OSCE it is a very important day because we are going to present our Spokesperson who is going to stay here for a long while. That is the person sitting on my right, his name is Ludvik Skoberne and he is from Slovenia. He is very glad that he is in our team and in BiH. Mr. Ludvik is a graduated journalist from Slovenia. He graduated from the University of communication and social sciences of University in Ljubljana and he participated in various activities in the sixties, among other things in founding the Student radio station in Ljubljana. He has been a journalist all of his life, and started working with the international political editorial board of TV Ljubljana. And then he has been the editor of the documentary program of that same TV. He was the initiator and the first editor of teletext of RTV Slovenia. And in 1981 and 1982 he was a correspondent in Beirut and Cairo. Then in 1984 he became the editor in chief of Nasa Slovenia magazine, which is a magazine for the Slovenian

citizens living abroad. Then he also has been UN officer in Mozambique and he speaks French and German and of course he understand very well Bosnian. Not to mention that he speaks fluent English. I think it's most important now to say that he has all my confidence, and that now with Monja we have a perfect media team. I just ask you to give him some more time to get acquainted with you and make friendship with you. And he will be open and frank as I've always been.

**Ludvik Skoberne, OSCE:**

Good morning to you all. I apologise if I will make some grammatical mistakes, as this is not my mother tongue but I will give it my best. I will do my best to have good co-operation with all of you.

As you know the OSCE Mission to Bosnia and Herzegovina in co-operation with SFOR is launching an initiative aimed at raising public awareness of the high level of military expenditures in Bosnia and Herzegovina. The initiative is not aimed at anyone but encourages the citizens of Bosnia and Herzegovina to demand transparency in the budgeting process and to give a strong reminder to the political leadership that they are accountable to taxpayers. The initiative aims to urge the citizens of Bosnia and Herzegovina to demand transparency in budgeting process as well accountability of those officials who are responsible for drafting the budgets, and to determine priorities. As this is the time when Bosnia and Herzegovina lawmakers are working on their budget projections and plans for next year, that is the reason for the timing of this initiative. The initiative should create public pressure on parliaments to reconsider their budget plans for 2002 and address more immediate needs of BiH.

The bottom line is that a defence budget is not supposed to represent an undue financial burden on a country in peace time. In many countries the defence budget does not exceed two percent of Gross Domestic Product or GDP. In only a few

countries is the defence budget as high as it is in Bosnia and Herzegovina, where it averages 6%.

The 2% figure which can be seen as a realistic target for Bosnia and Herzegovina is based on an average of former eastern block countries. The Partnership for Peace has three very simple and basic guidelines, criteria if you will. The first is civilian control of the military, the second is a doctrine which is based on defense not offense and the third which is totally relevant to the reason we are here today is transparency in military budgeting. I would add that a fourth that was never elaborated because we never thought it would come up is one military per country. In order to qualify for Partnership for Peace transparency in defense budgeting and defense planning is essential. Since financing has not been transparent, it is possible that money has been wasted or used inappropriately and that value for money has not been achieved in the past.

In the end, you probably know the old Chinese proverb that "the journey around the world, starts with the smallest step." Of course, armed forces of a country need to be in accordance with the strategies goals of the country and how much the country can afford for the military expenditures, and as you know the economic situation in this country is not exactly pink. The GDP of BiH cannot cover the costs that this country has for military expenditures. Of course, the aim of this action is reduce the unnecessary costs. As I've said in the beginning, this action is planned together with SFOR, and therefore I ask my colleague, Major Petetin, to explain more the SFOR role in this process.

**Major Petetin, MND SE:**

Good morning ladies and gentlemen, today I have two statements for you.

In conjunction with the OSCE, SFOR participates in an

information campaign concerning the restructuring of BiH armed forces. SOFR has daily contacts with local armed force leaders and as such is in position to provide suitable advice for this restructuring process. SFOR is involved in this process to assist the armed process in the restructuring process. Indeed, SFOR may offer to the local armed forces the opportunity to take advantage of our own experience in terms of military management and heavy force reduction program. Indeed, as you certainly know all the countries participating in SFOR have been reducing their armed forces for more than ten years and if I take the example of my country, France, we had to reduce our army from 300 000 down to 135 000.

SFOR considers that: the size of armed forces has to be evaluated according to several parameters which are, the economic situation in the country. Indeed, currently the armed force exceeds largely the European standard. All European countries apply an average of 2% of their GDP for their defense. In addition, BiH cannot afford to maintain a 34 000 soldier armed forces requesting 6% of the GDP. The current situation constitutes an unbearable burden for the economical life of the country. The other parameter is the security situation. For the time being there is no immediate external threat for BiH. For six years no attack against BiH occurred and all neighboring countries are joining Partnership for Peace and NATO. Armed forces do not constitute a threat for each other and a common defense strategy should be developed. Therefore SFOR is convinced that BiH does not need such big armed forces.

Second term implications: because of heavy taxes and budgetary deficit it induces. Too costly oversized armed forces may deter the foreign investments which are of paramount importance for BiH. As general Sylvester recalled during his last press conference, BiH should set a unique army for joining Partnership for Peace program. No state can support practically more than one army. Should BiH not join the PfP,

it will not enjoy the benefit of this membership as opposed to its neighbors. As you know, a first 15% reduction was completed but still a further 40% is necessary to reach the appropriate level of forces. The way to proceed is strictly under the responsibility of the local authorities.

In conclusion, getting rid of so many soldiers is difficult challenge and may have social impact. In addition, it is not an easy political decision. However, it has to be clear that maintaining not indispensable soldiers that you can barely pay just to avoid additional unemployment is not a valid solution. Armed forces cannot and should not be considered as a social welfare. Furthermore, if BiH with the assistance of the World Bank, sets up a social plan to assist the civil reintegration of dismissed soldiers, then, in medium term, BiH will benefit from such a decision. Indeed, these former soldiers will participate to the economic restarting of the country instead of being unproductive soldiers of a too big army.

Last but not least, keep in mind that citizens of BiH who after all pay the bill for the armed forces with their taxes would be the beneficiaries of a defense reduction.

That' all regarding my statement regarding the reduction of BiH armed forces.

**Sanja Alikalovic, UNHCR:**

Good morning to all on behalf of UNHCR.

As you are all aware, until now those houses which were completely destroyed were not included in any reconstruction program due to the high costs of their cleaning. In addition, rubble removal presents an important impediment also to the PLIP implementation, as the owners of destroyed houses occupy other people's properties and the reconstruction of their houses might improve minority returns. For all above mentioned reasons, UNHCR SO S BiH has promoted a project in close partnership with the teams of RS and Federation Civil

protection to tackle the needs of rubble removal throughout the area, especially focusing on Mostar and Stolac where the greatest need exists. This project, still on-going, is being successfully implemented as of the last month, targeting more than 20 houses which now can be considered by the reconstruction agencies.

UNHCR is pleased to announce that all five collective centers on the territory of Bileca municipality were closed with the assistance of the RS Ministry of DPs and Refugees which managed to complete the settlement Dubrave consisting of 32 housing units where the residents were relocated on temporary basis, that is, until their final return to the prewar residences.

That's all I have, thank you.

**Stefo Lehmann, UNMIBH:**

Good morning ladies and gentlemen. I will have to apologize for not coming down more often. But it's great to be back and I wish I was still working here.

We have one statement which is relatively long but it does deal entirely with the Ministry of Interior and the fact that there is no Minister of Interior.

It is necessary to respond to unfounded accusations directed towards the IC, and in particular UNMIBH, claiming that we are obstructing the functioning of the cantonal government by refusing to appoint a cantonal Minister of Interior. The fact that these accusations are coming from a side which has for six years obstructed the proper functioning of joint government institutions, at both the cantonal and entity levels, makes these accusations absurd.

The appointment of a cantonal Minister of Interior is necessary for the maintenance of ethnic balance in the cantonal government. It is also in the interest of the IC and

in particular UNMIBH to appoint a Minister in order to continue establishing a professional police force for the citizens of this canton.

It is worthwhile reminding the public of few things. Without any sense of urgency the HDZ waited almost three months to submit a candidate to replace former minister Dragan Mandic, three months, from April to July. In spite of this three-month delay and our serious reservations about the qualifications of Mr. Ivan Mandic, as a new ministerial candidate, we agreed to give Mr. Mandic the opportunity to demonstrate his commitment to defending the rule of law. Unfortunately, during his brief tenure, Mr. Mandic clearly demonstrated he was more concerned about protecting the interests of his party rather than the interests of citizens. Mr. Mandic refused to appoint Croats to fill the senior positions which were vacated by police officers who violated the law. By not filling these positions he prevented the balancing of the national structure of the Ministry of Interior. He refused to demobilize the surplus officers. He obstructed the continuing process of unification. He issued illegal orders, including ordering the Croat police (in Stolac) to disobey the chain of command. He obstructed UNMIBH's access to information.

We will not make the same mistake with the new candidate Mr. Ljubo Beslic, who is now the Chief of Cabinet at the Ministry. Too much time has been lost with these political games, games which the HDZ continues to play by proposing Mr. Beslic, who they know has no chance of being appointed. And we are not here to play games with the lives of the citizens or with the future of the next generations. Last week, the UNMIBH informed the OHR that Mr. Ljubo Beslic cannot be the candidate for the Minister's position. And there are various reasons, and these reasons are very interesting. One, a very large number of police cars cannot be accounted for now. Mobile phones issued by the Ministry of Interior here are being used by unauthorized people in the HDZ leadership, such as Rade

Bosnjak's secretary and Ivan Bacak, and other dismissed police officers, as well as the people who don't even work for the Ministry. Salaries are being paid from the Ministry budget to people who have been dismissed by the IPTF and salaries are being paid to the people who have never even been seen in the Ministry, and just to give you an example here. You remember Minister Dragan Mandic, in 1999, Dragan Mandic received a salary 7393 KM or DM. And that's just for one month, so we have various irregularities in the Ministry which need to be resolved. UNMIBH needs senior Croats in the Ministry, in order to investigate this abuse. Finally, in light of all of the above information the UN believes that it is the HDZ strategy to keep the Minister of Interior position vacant, as well as other senior Croat positions in the Ministry and to continue nominating unsuitable candidates, knowing that the UN will reject them. So we ask the Croat leadership to stop playing the usual games and take on the responsibility of appointing the proper candidate. They must appoint a proper candidate, to work with all sides, promote the unification of Ministry of Interior and the city, assist us in creating a democratic and transparent police force for the citizens of this canton and for the future generations.

Thank you very much.

**Avis Benes, OHR:**

I think this clarification about the candidate for the Minister of Internal Affairs was very useful. On behalf of OHR, we join the UN and we call for the quick nomination of a proper person to this position, since so much time has been lost.

In the end there is one statement of the OHR. Before, just to inform you that today the High Representative is meeting the members of the BiH Presidency, in any case you will receive the press release later. The topic of this meeting are economy, constitutional reform and media reforms.

The existence of parallel institutions is one of the biggest obstacles in the normal functioning of the Federation. As a part of the Federation policy to put an end to parallelism, the OHR is pleased to announce abolishment of the parallel tax offices in Bugojno and Prozor-Rama.

Hitherto, the tax-office for Prozor-Rama was split into two ethnically oriented sub-offices, the one based in Prozor-Rama acting as the main and only tax-authority for the Municipality. The residents of Croat nationality were being taxed by this office. At the same time, the tax-payers who are Bosniaks within Prozor-Rama Municipality as well as Bosniak DP's (predominantly residing Bugojno) were paying taxes to the parallel tax-office based at the Bugojno Administration.

After long-standing and commendable efforts of the Mayor of Prozor-Rama, Mr. Jozo Vukoja, together with the OHR Special Envoy for this region, Mr. Ulrich Bucher, a decision was made by the Federal Tax Administration to merge these two offices. On October 11, the office for Bosniaks was moved from Bugojno to Prozor-Rama and integrated in the Prozor-Rama office.

This action was a long overdue and it took a lot of discussions to be achieved. Nevertheless, the OHR considers this as a very positive step which will certainly contribute to a better understanding between people in the Municipality of Prozor-Rama and facilitate resolving still pending political issues, like joint administration, regular payment of employees and implementation of the draft budget.

That is all on behalf of the OHR, and now to your questions.

## **QUESTIONS AND ANSWERS:**

**Vlatko Menix, HIC:** The question is for the OSCE and SFOR: is the main aim of reducing the military expenditures the creation of joint army, as a precondition of entry of BiH into

the Partnership for Peace and the Council of Europe. And what are your expectations from the RS Army in this process, if we know that the abolishment of the RS Army is equal to the abolishment of the RS entity. I would also like to ask Mr. Lehmann what are the consequences that the vacancy in the position of the HN Canton Minister of Interior will bring to the MoI and the HN Canton Government? Who will appoint the Police Commissioner in this canton?

**Major Petetin, SFOR MND SE:** Regarding the first part of your question as far SFOR is concerned we are here to provide advice, taking advantage in all experience in military management and army reduction process. According to our experience we can mention that a unique MoD is better than having several MoD (Ministries of Defense) in order to have the same strategy and save a maximum of money. Now in the end it has to be clear that this decision is a national decision of this country.

**Ludvik Skoberne, OSCE:** I would like to add just one thing. What I forgot to say in my introduction is that this action is not aimed against any structure as such. It has the aim to raise public interest in military expenditures in this country. Of course, the public will find out the reasons and the numbers that you dispose of if you will inform this public about it. And of course, if we cannot us convince you about the meaning of this action, than the public will not be informed, thus there are not great expectations that this action will be successful. That's why we address you as journalists, to get involved in this professionally. As far as gentleman's question is concerned, Ambassador Beecroft recently said that one of the conditions for BiH to join the Partnership for Peace is to have a joint army.

**Stefo Lehmann, UNMIBH:** Regarding the absence of Minister of Interior strangely enough there have been very little consequences. The police functions satisfactorily. Mostar still benefits from a safe and stable environment, the police

are doing a good job. But as we said we need not only a Minister but heads of various police stations. But we don't need HDZ lieutenants in these positions. We need professional people that understand that they work for public and not a political party. And we intend to find these people. With regard to the Commissioner, that's another example of how people are trying to delay. We were very happy with the two candidates that were proposed to the Commissioner of IPTF. These two candidates were approved, there were more candidates, but these two were approved and they were given to the cantonal government to select. However, for some reason they refused to pick one. And this again as I said is another indication of political games, because we were optimistic about the Canton 7 commissioner, because other cantons, Canton 8 and Canton 10 didn't even propose any good candidates.

**Pejo Gasparevic, HINA:** I have questions for gentlemen from SFOR and OSCE. You said that there will be great reduction in the military expenditures. It can be understood that a lot of people will be left without work. I would like to remind you that it is in the tradition of this country for people to organize themselves into the "rebel groups," especially in the rural environment and BiH is mainly a rural environment.

**Ludvik Skoberne, OSCE:** We all sincerely hope that it will not happen and that's why it has been stressed from the beginning that there will be a positive approach and the intention is not to worsen the social situation. On the contrary, it is to create the conditions for new work positions and to reallocate the money that is used now to cover the military expenditures. On the long run, the economic development depends greatly on social events. So, on one hand by starting this initiative with the aim of making the public ask themselves and ask their representatives, who are now taking part in the projection of the new budget for next year. And secondly, that this budget is in accordance with the economic capabilities of the country. In the end that is the practice in every democratic

country and I don't see why BiH would not implement it.

**Major Petetin, MND SE:** I would just like to add one more thing. As I said in my introductory statement, dismissing a large number of soldiers is a grave social issue. That's why such a process necessitates a very thorough preparation, implying all partners, as I mentioned the world bank, that all soldiers will have an opportunity to have a job. And all that has to be orchestrated by the Government in conjunction with all the different partners. It is a national problem. In the end, if you succeed, you will have a benefit of such a reform.

**Dario Mehmedovic, RTV BiH:** I have a question for the UN Mission. This morning I received a rather confidential informational that American Embassy offices are closing down in entire BiH. I would like the confirmation of this information, and if it is try do you know the reasons of such a decision?

**Stefo Lehmann, UNMIBH:** Unfortunately, I don't have that information and the only people that will provide this information is the US Embassy, you have to ask the US Embassy.

**Zoran Kresic, Vecernji List:** We do not have the Minister of Internal Affairs of the Federation either. I would like to ask Stefo Lehmann what is the UN comment on the forced resignation of Minister Besic, having in mind that the US Embassy understood his forced resignation as BiH distancing from the anti-terrorist coalition. Can you also comment if any names of successors to the ministerial position are known, has UN reviewed any names, such as Halilagic, Dziho, Kamenica...

**Stefo Lehmann, UNMIBH:** First of all, regarding the US letter, I am not going to comment that this letter was written I have no information. I will say that we had clear relationship with Mr. Besic and he has chosen to resign for a number of reasons, including political interference with his work. And his reasons for resigning are understandable. We hope that the

next Minister of Interior will be qualified and will have the same relationship as Mr. Besic had with the UN and his relationship also with the international community. And we also hope that the new minister, as Mr. Besic did, will adopt a pro-active approach towards fighting crime and terrorism. And also, thinking about the political interference in the minister's job, it's another reason why it's important to support the police commissioners' project. Project that will eliminate the political interference over the work of the police.

**Zoran Kresic, Vecernji List:** Have you considered some names, have you been proposed names of some candidates?

**Stefo Lehmann, UNMIBH:** What we're going to do here, in this case we are going to allow the Federation authorities to make their own decisions here. We're not going to support the candidate, nor are we going to propose a candidate. We are confident that they are going to find a suitable candidate.

**Angelina Puljic, HRTV Mostar:** How do you comment the initiative of the former dismissed workers of the six Herzegovina companies who are asking for their labor rights?

**Avis Benes, OHR:** What I can say about this initiative is that we found it out from the media only. So there have been no contacts with the OHR. In any case, the organization of people who are looking for their labor rights is not questionable. In any case, if it will help them to realize their rights, and we know that in a large number they have been neglected, if it will help the increased insistence on the Article 143 and the others of the Labor Law, than this initiative can be welcomed.